GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:207
ANSWERED ON:27.08.2007
LOANS AT LOWER INTEREST TO FARMERS
Karunakaran Shri P.

Will the Minister of AGRICULTURE be pleased to state:

(a) whether National Agricultural Commission has recommended that agriculture loans to farmers should bear low interest rates; and

(b) if so, the details of action taken thereon?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) & (b): National Commission on Farmers has recommended that the interest rate on agricultural credit should be as low as possible. Effective from Kharif 2006-07, Government had already brought down the rate of interest on crop loans to 7 per cent upto a principal amount of Rs.3.00 lakh.